



Department of Navy
Human Resources Service Center
Benefits Bulletin No. 2004-17

**THRIFT SAVINGS PLAN (TSP)
CATCH-UP CONTRIBUTIONS
ELECTION**

ABOUT TSP CATCH-UP CONTRIBUTIONS

Public Law 107-304 permits eligible TSP participants who are age 50 or will be age 50 in a calendar year to make tax deferred "catch-up" contributions from their basic pay to their TSP accounts. These contributions are a supplement to the participant's regular employee contributions and do not count against either the statutory contribution percentage limitations or the Internal Revenue Code's elective deferral limit. However, the catch-up contributions have their own annual limit and eligibility criteria. The annual TSP catch-up contribution limit will be \$4000 in 2005. It will be \$5000 in 2006. After 2006, this amount will be subject to increases to reflect inflation.

ELIGIBILITY CRITERIA FOR PARTICIPATION IN THE TSP CATCH-UP CONTRIBUTIONS

- Must be in a pay status
- Must be contributing either the **maximum** TSP contribution percentage or an amount which will result in his or her reaching the elective deferral limit (\$14,000 for 2005) by the end of the relevant year
- Must be at least **50 years old** in the year the catch-up contributions are made (even if the participant's birthday is December 31 of that year)

Employees who are within the 6-month non-contribution period following receipt of a financial hardship in-service withdrawal are not eligible to make contributions.

IMPORTANT INFORMATION CONCERNING THE TSP CATCH-UP CONTRIBUTIONS

Catch-up contributions are not subject to the TSP open season rules, and more than one election may be made in any given year (so long as the annual catch-up limit is not exceeded). There are no Agency (1%) Automatic Contributions associated with catch-up contributions and catch-up contributions are not eligible for matching contributions. Also, your catch-up contributions will be invested in your account based on the most current contribution allocation on file with the TSP Board.

Catch-up contributions are made based on a requested whole dollar amount and will be deducted from the participant's basic pay each pay period until: (1) the annual catch-up limit is reached; or (2) the calendar year ends; or (3) the participant elects to stop the contribution. **Employees must make a new election each year.**

HOW TO MAKE YOUR TSP CATCH-UP CONTRIBUTION ELECTION

Navy civilian employees who meet the eligibility criteria and want to make a TSP catch-up election can do so by using one of the automated benefit applications below. **Paper TSP-1C forms will not be accepted.**

- **EBIS** is an Internet based application located at <http://www.donhr.navy.mil/>. Click on EBIS to access the application. Your Social Security Number (SSN) and password are used to log into EBIS. If you are a new EBIS user it is helpful to have a copy of your last SF 50, Notification of Personnel Action, or your Leave and Earnings Statement (LES). The following information can be found on these documents and is needed to create your EBIS password: Service Computation Date for Leave, Pay Plan, Grade and Step. You must also establish a Personal Identification Number (PIN) if you have not previously created one in EBIS or The Benefits Line. Your initial PIN is your month and year of birth (MMYY). The system will require you to change the 4-digit PIN to a 6-digit PIN of your choosing.
- **The Benefits Line** is a telephone interactive voice response system. You access The Benefits Line by calling 1-888-320-2917. To log into The Benefits Line you use your SSN and PIN. This is the same PIN that you created in EBIS. If you have not created a PIN, your initial PIN is your month and year of birth (MMYY). The system will require you to change the 4-digit PIN to a 6-digit PIN of your choosing. This 6-digit PIN will also be used to access EBIS.

HOW TO DETERMINE THE BI-WEEKLY AMOUNT TO CONTRIBUTE FOR CALENDAR YEAR 2005

The maximum amount you can contribute in calendar year 2005 is \$4,000. You are not required to contribute the maximum amount if you want to participate in catch-up contributions. You can contribute any amount as long as it doesn't exceed \$4,000 per year. The biweekly amounts shown below have been rounded up. Once you reach the annual limit for the calendar year, your biweekly deductions will be adjusted accordingly not to exceed the annual IRS limit.

Beginning **12 December 2004**, eligible employees can make their TSP catch-up elections for tax year 2005 by using the automated benefit systems. The chart below illustrates how to determine the amount to elect each pay period to contribute the \$4,000 maximum. Remember that catch-up contribution changes can be made at any time because they're not tied to an open season (but the annual catch-up limit may not be exceeded). If you later discover your contribution amount will result in contributing less than the maximum allowable amount by the end of the calendar year, you can always increase your contribution amount.

TSP Catch-up Elections Made	Effective Date Of TSP Catch-up Election Is	You Will See The Deduction For The TSP Catch-up Election In The Paycheck You Receive	You Should Elect To Contribute This Amount Per Pay Period To Contribute A Total Of \$4,000 Per Year
12 December - 25 December 2004	26 December 2004	14 January 2005	\$154
26 December – 8 January 2005	9 January 2005	28 January 2005	\$160
9 January – 22 January 2005	23 January 2005	11 February 2005	\$167
23 January – 5 February 2005	6 February 2005	25 February 2005	\$174
6 February – 19 February 2005	20 February 2005	11 March 2005	\$182
20 February – 5 March 2005	6 March 2005	25 March 2005	\$191
6 March – 19 March 2005	20 March 2005	8 April 2005	\$200
20 March – 2 April 2005	3 April 2005	22 April 2005	\$211
3 April – 16 April 2005	17 April 2005	6 May 2005	\$223
17 April – 30 April 2005	1 May 2005	20 May 2005	\$236
1 May – 14 May 2005	15 May 2005	3 June 2005	\$250
15 May – 28 May 2005	29 May 2005	17 June 2005	\$267
29 May – 11 June 2005	12 June 2005	1 July 2005	\$286
12 June – 25 June 2005	26 June 2005	15 July 2005	\$308
26 June – 9 July 2005	10 July 2005	29 July 2005	\$334
10 July – 23 July 2005	24 July 2005	12 August 2005	\$364
24 July – 6 August 2005	7 August 2005	26 August 2005	\$400
7 August – 20 August 2005	21 August 2005	9 September 2005	\$445
21 August – 3 September 2005	4 September 2005	23 September 2005	\$500
4 September – 17 September 2005	18 September 2005	7 October 2005	\$572
18 September – 1 October 2005	2 October 2005	21 October 2005	\$667
2 October – 15 October 2005	16 October 2005	4 November 2005	\$800
16 October – 29 October 2005	30 October 2005	18 November 2005	\$1000
30 October – 12 November 2005	13 November 2005	2 December 2005	\$1334
13 November – 26 November 2005	27 November 2005	16 December 2005	\$2000
27 November – 10 December 2005	11 December 2005	30 December 2005	\$4000

WHOM DO I CONTACT FOR INFORMATION?

If you have questions regarding TSP catch-up or questions on any other benefit matter please call The Benefits Line at 1-888-320-2917, select option 4 to talk to a benefits counselor. Counselors are available 7:30 a.m. to 7:30 p.m., Monday through Friday (Eastern Time). Hearing impaired employees should call the TTY line number for their servicing HRSC.

Overseas employees who have access to DSN service can connect to The Benefits Line by dialing the DSN number to Randolph AFB (RAFB), 487-1110. Once the RAFB operator answers please indicate that you want to make an "official off net call" and give the operator The Benefits Line telephone number, 888-320-2917.